



Maryland  
Hospital Association

**MHA BYLAWS**  
**AS AMENDED BY MHA BOARD OF TRUSTEES**  
*June 11, 2013*

**ARTICLE I: Name**

This corporation shall be known as The Maryland Hospital Association, Incorporated (Association).

**ARTICLE II: Purpose**

The Association exists to support member organizations in their continuing efforts to improve the quality of health care services, the health status of their communities, and the stewardship of health care resources, through leadership, education, information, communication, and collective action in the public interest.

**ARTICLE III: Membership**

**Section 1.** Membership in the Association shall be of three classes: full service, associate and affiliate membership. Full service membership shall be limited to hospitals, other special health care institutions, and health care systems as may be accepted and determined by the Executive Committee of the Board of Trustees of the Association (Executive Committee). There shall be three types of full service memberships:

(a) full service (voting) membership for Maryland hospitals which have accreditation.

If the hospital is part of a single hospital health care system, all fully integrated components of that system will receive full member services.

(b) full service (voting) membership for Maryland-based, multi-hospital health care systems, provided all of their Maryland hospitals eligible for Association full service (voting) membership are full (voting) members and greater than fifty percent of the systems' revenue comes from Maryland-based services. For purposes of Association membership, health care system is defined as an organization which provides a continuum of health care services. Hospitals must be an integral component of the system; and the entity must have centralized corporate control and consolidated primary assets. All fully integrated components of the system will receive full member services.

(c) special full service (non-voting) membership for long-term care facilities, chronic care facilities, federal and state government hospitals, and other institutions as may be accepted and determined by the Executive Committee, which are interested in the purpose of the Association. Special full service (non-voting) members shall not be voting members. Institutions that are eligible for full service (voting) membership may not opt for special full service (non-voting)

Associate membership, the second membership class, may include health care networks, physician hospital organizations, and other entities which are Maryland-based and not fully integrated, but in which an Association member(s) has substantial ownership. Associate membership also may include out-of-state health care systems if all of their Maryland-owned hospitals eligible for Association membership are full service (voting) members. Associate members will receive specified services, but will not be voting members. Institutions that are eligible for full service membership may not opt for associate membership. Affiliate membership, the third membership class, may include other institutions with an interest in health care whose purpose and objectives are complementary to and supportive of the Association's mission and values. Affiliate members will receive specified services, but will not be voting members. Institutions that are eligible for full service or associate membership may not opt for affiliate membership.

**Section 2. Election of members.**

Application for membership shall be made to the President/CEO in writing. The application shall be considered by the Executive Committee in such manner as it shall prescribe. The applicant shall become a member for the current year upon Executive Committee approval of the application and payment of dues.

**Section 3. Resignation.**

A member, not in default in dues payment and against whom no complaint or charge is pending, may at any time file with the President/CEO, the institution's resignation, and such resignation shall be effective on the day of the filing. A resigning member shall not be entitled to a refund of any dues.

**Section 4. Disciplinary Action and Reinstatement**

(a) Disciplinary Action—The Executive Committee may take disciplinary action with respect to any member in the event it is determined such member is engaging in a course of conduct inimical to the objectives of the Association. In any such instance, the member concerned shall be given written notice that consideration of disciplinary action is pending, and such member shall be offered the opportunity of requesting an appearance before the Executive Committee for the purpose of hearing the charges and responding thereto. When a hearing is requested, the member shall be given adequate prior notice of the time, place, and nature of the hearing and of the disciplinary action that may ensue. If a hearing is not requested, it need not be held. In the event, however, the hearing is held, written minutes shall be made of the charges, the response, the evidence, and the action taken. Decisions of the Executive Committee on matters of disciplinary action shall be final and may consist of censure, suspension, or expulsion.

(b) Reinstatement—In the event disciplinary action taken against any member shall result in suspension, or expulsion, such member may be reinstated under such terms and conditions as the Executive Committee may determine.

**ARTICLE IV: Dues and Assessments**

**Section 1. Annual dues rates** of members shall be determined by a majority of the voting members present at any meeting of the Board of Trustees called for this purpose.

**Section 2. Special assessments** of the membership in addition to annual dues shall be determined by a majority of the voting members of the Board of Trustees voting at any meeting of the Board. Proposals for special assessments shall relate to a specific member need or Association program and shall be developed through the Executive Committee and approved by the Board of Trustees. All special assessments may be modified or terminated by a majority of the voting members of the Board of Trustees at any meeting of the Board.

**Section 3. Default in Payment.** If dues are not paid within 60 days after which date they become due and payable, the President shall notify each member in arrears, and if said dues are not paid within 60 days thereafter, all privileges of membership shall be suspended until any arrearage is paid in full. At any time within three years after the date when dues are first required to be paid, a member who has been suspended for nonpayment of dues may be reinstated upon the payment of all dues in default and payable at the time of reinstatement.

#### **ARTICLE V: Meetings**

**Section 1. Annual Meeting.** There shall be an annual meeting of the members of the Association at a time and place designated by the Board of Trustees. Such time and place shall be announced in writing to the membership at least 30 days in advance of the meeting date. Such meetings shall be open to representatives of all member organizations. Any notice under these Bylaws may be sent by mail, fax or electronically. The annual meeting of the members of the Association and the annual meeting of the Board of Trustees may be combined as a joint annual meeting.

**Section 2. Special Meetings.** Special meetings of the members of the Association may be called by the Chair or in his/her absence

by the Vice Chair upon resolution of the Board of Trustees or upon the written petition of not fewer than five members. This petition shall recite the purpose for which the special meeting is to be called.

The Chair or Vice Chair, as the case may be, through the President/CEO, shall give notice in writing to the members of the Association not less than ten (10) days before the date fixed for such special meeting which notice shall recite the purpose of the meeting and further indicate that no other business shall be transacted at such special meeting.

**Section 3. Quorum.** A majority of the voting members of the Association shall constitute a quorum at any meeting of members.

#### **ARTICLE VI: Board of Trustees**

**Section 1. Powers.** The business, affairs, and property of the Association shall be overseen by a Board of Trustees, which shall be designated as provided in Section 2 hereof. The number of Trustees may be increased or decreased; however, the number of Trustees shall never be fewer than five. The Board of Trustees shall have and shall exercise all of the rights and privileges legally exercisable by the Association, except as otherwise provided for by law, the Articles of Incorporation, or by these Bylaws. The Board of Trustees shall meet as the members of the Association when the Board of Trustees so declares, and the actions of the Board of Trustees taken in accordance with these Bylaws shall represent the official action of the membership of the Association.

**Section 2. Composition.** The Board of Trustees shall consist of the members of the Executive Committee and the highest elected official of the Board of Trustees of each voting

member or another board member or the President and/or Chief Executive Officer of each voting member (a trustee designee). Such trustee designee must be empowered to act on behalf of the voting member institution on all matters coming before the Board of Trustees of the Association. Each member of the Board of Trustees shall have only one vote at any Board of Trustees meeting. If a voting member is represented by a member of the Executive Committee and the highest elected official or the trustee designee at any Board of Trustees meeting, then the highest elected official or the trustee designee shall designate who may cast a vote at said meeting.

**Section 3. Meetings.** The Board of Trustees shall hold each year an annual meeting pursuant to Article V, Section 1 of these Bylaws and such special meetings as called pursuant to Article V, Section 2 of these Bylaws.

**Section 4. Quorum.** Except as otherwise specifically provided in these Bylaws or in the Articles of Incorporation of the Association, or as required by law, the action of a majority of the voting members of the Board of Trustees present at a meeting at which a quorum is present is the action of the Board of Trustees. A majority of the voting members of the Board shall constitute a quorum at any meeting of the Board of Trustees.

**Section 5. Compensation.** The members of the Board of Trustees shall serve as such without compensation.

**Section 6. Voluntary Trustee.** A Voluntary Trustee is a current or former trustee, director, or committee member of a full service (voting) member hospital or health system who is not an employee of that hospital or health system.

## **ARTICLE VII: Officers**

**Section 1. Officers.** The elected officers of the Association shall be a Chair, two Vice Chairs, a Secretary, and a Treasurer.

At least two of these five officers shall be Voluntary Trustees of full service (voting) member organizations, and as many as two officers may be Chief Executive Officers of hospitals or health care systems. The Chair shall be a Voluntary Trustee.

The President/CEO of the Association shall be an appointed officer. There shall be such additional appointed officers as are recommended by the President/CEO and approved by the Executive Committee.

**Section 2. Duties.** The elected officers of the Association shall perform the duties usually performed by such officers together with such duties as shall be prescribed by these Bylaws, and such other duties as may be assigned to them from time to time by the Board of Trustees. The Chair of the Association shall, when present, preside at all meetings of the members of the Board of Trustees. The Chair of the Association shall appoint a committee for budget review and development, and said committee shall report its findings to the Board of Trustees.

**Section 3. Election of Officers.** The elected officers shall be elected by the Board of Trustees each year. Each elected officer can serve three one-year terms in any one position; provided, however, that the Executive Committee may recommend to the Board of Trustees that any elected officer continue in his or her position beyond the three year limit, but the Board of Trustees must approve any such extension.

**Section 4. President/CEO.** The Executive Committee shall, with the confirmation of the

Board of Trustees, appoint a President/CEO and shall determine his/her duties, authority, and term of office. The President/CEO shall be the Association's chief executive officer responsible for executing the Association's policy and for administering its staff. He/She shall be a member ex-officio of all councils of the Association. His/Her official title shall be President/CEO. The President/CEO shall recommend to the Executive Committee the appointment of other appointed officers of the Association.

**Section 5. Reports.** The President shall submit a written report on the affairs of the Association to the members of the Board of Trustees prior to or at their annual meeting and said report shall be filed thereafter at the principal offices of the Association. The President may submit the written report to the members of the Board of Trustees in print or electronically, or the President may post said report to the Association's website.

**Section 6. Compensation Committee.** The Compensation Committee of the Board shall review and evaluate on at least an annual basis, the performance of the President/CEO. The Compensation Committee shall review and recommend to the Executive Committee all compensation and benefits paid to the President/CEO and certain senior staff of the Association. The Chair of the Executive Committee shall be a member of the Compensation Committee. The proceedings of the Compensation Committee shall be confidential and the decisions of the Compensation Committee shall be reported to the Executive Committee for approval.

A majority of the members of the Compensation Committee shall constitute a quorum at any meeting of the Compensation Committee. The action of a majority of the members of the Compensation Committee present at a meeting

at which a quorum is present is the action of the Compensation Committee.

No person who receives any compensation from the Association or its subsidiaries, directly or indirectly, shall vote or participate in any matters considered by the Compensation Committee relating to his or her compensation or employment. The President/CEO must recuse himself/herself from any vote of approval by the Executive Committee of the Compensation Committee's decision relative to compensation and benefits to be paid to the President/CEO.

**Section 7. Operations Committee.** The Operations Committee of the Board of Trustees shall provide oversight of and strategic planning for the financial and business operations of the Association. The Chair of the Operations Committee shall report the Operations Committee's findings periodically to the Executive Committee and seek its approval of any recommended changes. The Operations Committee shall also review, monitor, and approve investment allocations for the Association's investment portfolio and pension plan. The Operations Committee will also be responsible for (a) reviewing the Association's annual budget and recommending it to the Executive Committee for approval, and (b) reviewing the annual audit of the Association's finances and recommending it to the Executive Committee for approval.

**Section 8. Nominating Committee.** Each year the Chair of the Board of Trustees shall appoint a Nominating Committee comprised of five individuals, one of whom shall serve as Chair. The five members of the Nominating Committee shall include two outgoing members of the Executive Committee, and not more than one member who is a current member of the Executive Committee. The others shall be representatives from full service or special full service members. The Nominating Committee

shall prepare a slate of elected officers and members of the Executive Committee for approval of the Board of Trustees annually.

**ARTICLE VIII: Indemnification and Liability Insurance**

(a) In accordance with and to the full extent permitted by Section 2-418 of the Corporations and Associations Article of the Annotated Code of Maryland, as amended, or any successor statute (the “Indemnification Statute”), any person who is or was a member of the Board of Trustees or Executive Committee or any officer or employee of the Association, or at its request, is or was serving as a member of the Board of Trustees or as a director, officer or employee of any other corporation, partnership, limited liability company, joint venture, trust or other enterprise, or employee benefit plan, shall be indemnified and held harmless by the Association against any and all liabilities, costs and legal or other expense, including, without limitation, fines, penalties, judgments, and amounts paid in settlement, reasonably incurred by or impressed upon such person in connection with or resulting from any claim, action, suit, or proceeding. The Executive Committee shall make all determinations regarding indemnification pursuant to the Indemnification Statute, and all such determinations shall be made in accordance with the Indemnification Statute.

(b) In the sole discretion of the Executive Committee, agents of the Association, who are not members of the Board of Trustees or Executive Committee or officers or employees of the Association may be indemnified in accordance with and to the full extent permitted by the Indemnification Statute.

(c) The Association may purchase and maintain insurance on behalf of any person who may be entitled to indemnification pursuant to

this Article in accordance with and to the full extent permitted by the Indemnification Statute.

If the Association does not purchase insurance on behalf of the members of the Board of Trustees and/or the Executive Committee, or if such insurance is canceled for any reason, then the Association shall notify each member of the Board of Trustees and Executive Committee.

**ARTICLE IX: Executive Committee of the Board**

**Section 1. Composition.** There shall be an Executive Committee of the Board of not more than twenty-three members, consisting of the Chair, Vice Chairs, Secretary, and Treasurer of the Association; the Chair of each of the Standing Councils of the Association; the Chair of the Board of the Maryland Healthcare Education Institute; the Chair of the Health Policy Leadership Alliance; the Chair of Prime; the Chair of the Board of other MHA corporate affiliate organization(s) as deemed appropriate by the Executive Committee; the Association’s Delegate to the American Hospital Association; at-large members who are trustee, executive, or physician leaders of full service (voting) member organizations; and up to three other persons who are representatives of non-member organizations (“Independent Representatives”). At least twenty-five percent of the Executive Committee membership shall at all times consist of Voluntary Trustees. The individual Chair of each of the Standing Councils of the Association, the members-at-large of the Executive Committee, the Independent Representatives, the Chair of HPLA, the AHA delegate, the Chair of Prime, and the Chair of other MHA affiliate organizations, as appropriate, shall be elected by a majority vote of the Board of Trustees. The Chair of the Association shall serve as Chair of the Executive Committee. Except for the Independent Representatives, all members of the Executive

Committee shall be representatives of full service (voting) member organizations, and shall be broadly representative of the membership by geography and type. The Executive Committee shall have all the powers of the Board of Trustees between meetings of the Board. All actions of the Executive Committee will be reported in writing to the Board of Trustees immediately following each Executive Committee meeting. The Executive Committee shall meet as frequently as is necessary to maintain continuity in Association affairs. No hospital or health care system may comprise more than fifteen percent of the Executive Committee. Each member of the Executive Committee can serve only three consecutive one-year terms; provided, however, that the Executive Committee can recommend to the Board of Trustees that any member of the Executive Committee continue as a member of the Executive Committee beyond the three year limit, but the Board of Trustees must approve any such extension.

**Section 2. Appointments.** All appointments of Association representatives to outside organizations and related agencies shall be made by the Executive Committee.

**Section 3. Voting; Quorum.** The action of a majority of the voting members of the Executive Committee present at a meeting at which a quorum is present is the action of the Executive Committee. A majority of the voting members of the Executive Committee shall constitute a quorum.

**Section 4. Other Committees.** The Executive Committee in concert with the President/CEO may create such other committees as deemed advisable to assist in the performance of the Association's work. The duties, responsibilities and members of such other committees shall be defined and appointed by the Executive Committee in concert with the

President/CEO.

## **ARTICLE X: Councils**

**Section 1. Functions.** There shall be Standing Councils. Each Standing Council shall function in a developmental and advisory capacity recommending programs and policies to the Executive Committee. The specific functions and role of each Standing Council shall be approved by the Executive Committee and the Board of Trustees.

**Section 2. Membership of Councils.** Standing Councils shall be comprised of representatives from full service (voting) member organizations. The Chair of each Standing Council shall serve for a one-year term of office. The members of each Standing Council shall be appointed by the Executive Committee. Membership of each Standing Council may be comprised of trustee, physician, and executive leaders of voting member organizations.

**Section 3. Task Forces.** The Executive Committee or a Standing Council may establish such Task Forces as it deems necessary to carry out the Association's work. Task Forces may be directed to report to a Standing Council or directly to the Executive Committee. The Chair and members of any Task Forces shall be named by the Chair of the Council which established the Task Force or, if established by the Executive Committee, the Chair of the Executive Committee, in concert with the President/CEO. Membership on Task Forces may consist of representatives from any member organization and also from the community at large.

**Section 4. Voting; Quorum.** The action of a majority of the members of a Council or Task Forces present at a meeting at which a quorum is present is the action of the Council or

Task Force. A majority of the members of a Council or Task Force shall constitute a quorum.

**ARTICLE XI: Amendments**

These Bylaws may be amended or repealed at any meeting of the Board of Trustees at which a quorum is present, by a vote of a majority of the member organizations represented on the Board of Trustees, provided at least fifteen (15) days prior written notice of the proposed amendments has been given to all members of the Board of Trustees.

**ARTICLE XII: Voting by Proxy or Mail**

Full service (voting) member organizations shall not vote or act by proxy.

**ARTICLE XIII: Interpretation**

The authority to interpret and construe these Bylaws shall be vested in the Board of Trustees.

**ARTICLE XIV: Miscellaneous**

**Section 1.** All loans by the Association shall be approved or confirmed by the Executive Committee. All bills, notes, checks, drafts, and commercial paper of all kinds to be executed by the Association as maker, acceptor, endorser, and otherwise, and all assignments and transfers of securities, contracts, or written obligations of the Association, and all negotiable instruments shall be made in the name of the Association and shall be signed by such person or persons as designated by the President/CEO.

**Section 2. Fiscal Year.** The fiscal year of the Association shall cover such period of twelve months as the Board of Trustees may determine.

**Section 3. Seal.** The seal of the Association shall be a disc inscribed with the name of the

Association, the year, and the State in which it is incorporated.

**Section 4. Parliamentary Authority.** The latest edition of Robert's Rules of Order shall govern the Association.

*MHA Bylaws were:*

*Adopted May 19, 1970*

*Effective July 1, 1970*

*Amended as of July 29, 1970*

*Amended as of November 5, 1975*

*Amended as of February 5, 1976*

*Amended as of November 3, 1983*

*Amended as of May 17, 1988*

*Amended as of June 6, 1991*

*Amended as of February 8, 1996*

*Amended as of May 14, 1998*

*Amended as of June 8, 2000*

*Amended as of June 13, 2005*

*Amended as of June 11, 2009*

*Amended as of June 7, 2011*

*Amended as of June 11, 2013*

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